

## **L&PS New Jersey Department of Law and Public Safety**

Division of Gaming Enforcement

John J. Farmer, Jr., Attorney General

John Peter Suarez, Director

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FOR FURTHER INFORMATION CONTACT:

Katherine Lyons (609) 777-2403

Genene Wiggins Morris (973) 504-6327

### **Attorney General Announces Civil Action Against Three Internet Casinos**

TRENTON — Attorney General John J. Farmer, Jr. announced that the divisions of Gaming Enforcement and Consumer Affairs today filed Civil Actions against Alohascasino.com, Royalclubcasino.com, and 7sultans.com for acting in violation of New Jersey law by accepting wagers from individuals located in New Jersey, advertising an illegal practice in New Jersey, and accepting wagers from underage gamblers located in New Jersey.

The Attorney General said the state's suits allege that the defendants, Alohascasino.com, Royalclubcasino.com, and 7sultans.com, operate web sites from which any individual in New Jersey with a computer and Internet access can participate in a variety of online gambling activities for money, including casino-style games such as blackjack and craps, wagering on horse races and sports betting.

"New Jersey residents should understand that these sites are unregulated and unsafe. Quite simply, they're a bad bet," Farmer said. "I commend the Division of Gaming Enforcement and the Division of Consumer Affairs for the exhaustive investigation and the thorough complaint against this alleged unlawful conduct," he added.

According to the Attorney General, a 15-month, joint investigation by the New Jersey Division of Gaming Enforcement and the New Jersey Division of Consumer Affairs, revealed that Alohascasino.com, Royalclubcasino.com, and 7sultans.com violated the New Jersey Constitution, and New Jersey civil and criminal statutes by allowing individuals from New Jersey, including underage gamblers, to participate in illegal gambling activity. He added that Alohascasino.com, Royalclubcasino.com, and 7sultans.com further violated the Constitution and civil and criminal statutes by advertising their unlawful activity on billboards in New Jersey and encouraging people in New Jersey to participate in such activity.

"In the complaints filed today, we ask the court to assist us in protecting New Jerseyans by ordering these companies to stop their illegal conduct," Attorney General Farmer said.

The complaints, filed in the Mercer County Superior Court, Chancery Division, ask the Court to permanently enjoin the defendants from advertising their online gaming in New Jersey, and from accepting wagers or allowing other gambling activity from individuals or entities located in New Jersey. The State also seeks an accounting of all money won from New Jersey residents in the past 12 months and asks that the defendants, Alohascasino.com, Royalclubcasino.com, and 7sultans.com and other named and unnamed parties, restore any money or property acquired by means of any alleged unlawful practice.

"New Jersey citizens need to be aware that the companies operating online casinos are doing so in violation of New Jersey law. We will continue going after sites that prey on New Jersey residents, but the best way to protect yourselves from fraud is to avoid gambling on these sites altogether," said John Peter Suarez, Director of the Division of Gaming Enforcement.

In addition to seeking injunctive relief, the complaint also asks that the maximum civil penalty be assessed against the defendants in the amount of \$7,500 for each violation of the Consumer Fraud Act. The Attorney General said that Alohascasino.com, Royalclubcasino.com, and 7sultans.com's alleged operation and advertisement of an illegal gambling site and operation of an illegal gambling site accessible to underage gamblers allegedly constitutes an unconscionable commercial practice.

"The rules are pretty simple. Don't lie, don't cheat, don't steal. By advertising in New Jersey, these companies gave New Jersey consumers the impression that it is okay to gamble online. It isn't. So we're prosecuting them so the next person who wants to break the law knows we'll be looking for them," Mark Herr, Director of the Division of Consumer Affairs, said.

During the investigation, companies providing billboard advertising to Alohascasino.com, Royalclubcasino.com, and 7sultans.com were contacted by the State. The billboards were subsequently removed.

In an effort to combat the proliferation of illegal activity on the Internet, the Attorney General formed an Internet Working Group. The group comprises members of the divisions within the Department of Law and Public Safety, such as State Police, Criminal Justice, Law, Consumer Affairs, Elections, Civil Rights, Alcoholic Beverage Control, Gaming Enforcement and Racing.

The mission of the Internet Working Group is to coordinate the extensive high-technology resources within the department and develop strategies to aid law enforcement track emerging high-tech and Internet crimes and to develop methods to investigate and prosecute those crimes.

The Attorney General said the Internet Working Group also is constructing an Internet web site to provide information to the public about safe computing practices and reporting high tech crimes.

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